

Message Text

CONFIDENTIAL

PAGE 01 PEKING 01550 270728Z

ACTION EA-09

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07

L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 EB-08 COME-00 TRSE-00 OMB-01 /065 W

-----092132 270740Z /21

R 270700Z JUL 77

FM USLO PEKING

TO SECSTATE WASHDC 8281

INFO AMCONSUL HONG KONG

AMEMBASSY TAIPEI

AMEMBASSY TOKYO

C O N F I D E N T I A L PEKING 1550

E.O. 11652: GDS

TAGS: ETRD CH US

SUBJ: US-PRC TRADE RELATIONS

1. SUMMARY. LI CHUAN, VICE CHAIRMAN OF THE CHINA COUNCIL FOR THE PROMOTION OF INTERNATIONAL TRADE, HAS TOLD US THAT THE DECISIONS OF THE THIRD PLENUM AUGUR WELL FOR THE FUTURE DEVELOPMENT OF THE CHINESE ECONOMY AND WILL MAKE CONSIDERABLY EASIER THE REALIZATION OF THE "FOUR MODERNIZATIONS" BY THE END OF THE CENTURY. LI SAID THAT HE WAS "OPTIMISTIC" ABOUT FUTURE TRADE BETWEEN THE US AND CHINA AND STATED THAT THE PRC IS INTERESTED IN BUYING A WIDE VARIETY OF US PRODUCTS. US COMPETITIVENESS, ESPECIALLY WITH WESTERN EUROPE, WILL HELP TO STIMULATE TRADE. END SUMMARY

2. AT A BANQUET GIVEN BY THE MINING DELEGATION OF THE NATIONAL COUNCIL FOR US-CHINA TRADE, LI CHUAN TOLD USLO OFFICER THAT THE DECISIONS OF THE THIRD PLENUM OF THE TENTH CENTRAL COMMITTEE WOULD HAVE A PARTICULARLY GOOD IMPACT ON THE DEVELOPMENT OF CHINA'S ECONOMY. IN PARTICULAR, IT WOULD MAKE EASIER AND SPEED UP
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PEKING 01550 270728Z

REALIZING THE "FOUR MODERNIZATIONS" BY THE END OF THE CENTURY. AS THE ECONOMY GROWS AND DEVELOPS, FOREIGN TRADE WILL INCREASE AND WILL PLAY A SUBSTANTIAL ROLE IN THE DEVELOPMENT OF CERTAIN SECTORS. CHINA'S EXPANSION OF FOREIGN TRADE WILL BE IN LINE WITH ITS PRINCIPLES OF SELF-RELIANCE AND MAKING THINGS FOREIGN SERVE CHINA.

3. LATER IN THE BANQUET, LI VOLUNTEERED TO THE AMERICANS AT THE TABLE THAT THE PRC IS PARTICULARLY INTERESTED IN BUYING FROM THE US AND IS CONSIDERING THE PURCHASE OF A WIDE VARIETY OF PRODUCTS. THE US IS VERY COMPETITIVE IN MANY AREAS, HE SAID. JAPAN IS ALSO COMPETITIVE. HOWEVER, IN COMPARISON WITH WESTERN EUROPE, THE US HAS A PARTICULAR EDGE. LI SAID THAT HE IS "OPTIMISTIC" ABOUT THE FUTURE OF SINO-AMERICAN TRADE RELATIONS AND LOOKS FORWARD TO THE VISITS OF MANY US BUSINESSMEN.

4. AS ONE WAY OF ACQUAINTING CHINESE END-USERS WITH US TECHNOLOGY, LI MENTIONED THAT THE CCPIT IS ENDEAVORING TO INCLUDE AS MANY AS POSSIBLE IN DELEGATIONS GOING TO THE US. FOR EXAMPLE, THE SEPTEMBER CCPIT DELEGATION TO THE US WILL INCLUDE REPRESENTATIVES OF CHINA'S METALLURGICAL AND COAL RESEARCH INSTITUTES.

5. ALMOST AS AN AFTERTHOUGHT, LI REFERRED TO CERTAIN "LIMITS" TO TRADE WHICH "OF COURSE" EXIST. ASKED BY USLO OFFICER WHETHER IT WOULD NEVERTHELESS BE POSSIBLE TO EXPAND AND INCREASE TRADE WITHIN THESE GIVEN LIMITS, LI SAID WITHOUT HESITATION THAT IT IS POSSIBLE AND THAT HE LOOKS FORWARD TO INCREASED TRADE BETWEEN THE TWO COUNTRIES. THE PRC, HE SAID, BELIEVES THAT THESE LIMITATIONS WILL BE REMOVED IN THE FUTURE AND ONLY HOPES
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 PEKING 01550 270728Z

THAT THIS FUTURE WILL NOT BE "TOO LONG."

6. COMMENT. LI BECAME INCREASINGLY EXPANSIVE AND OUTGOING AS THE MEAL PROGRESSED. HIS BRIEF REFERENCE TO LIMITATIONS ON TRADE WERE COUCHED ONLY IN THE MOST GENERAL OF TERMS AND WERE CONVEYED IN A RATHER GENTLE AND FRIENDLY MANNER. THE TENOR OF HIS REMARJS WAS UNUSUALLY UPBEAT AND EMPHASIZED THE GOOD PROSPECTS FOR CLOSER TRADE RELATIONS.

WOODCOCK

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE, FOREIGN RELATIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 27-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977PEKING01550
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770267-0624
Format: TEL
From: PEKING
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770711/aaaaajra.tel
Line Count: 104
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 24f9f662-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 30-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1728682
Secure: OPEN
Status: NATIVE
Subject: US-PRC TRADE RELATIONS
TAGS: ETRD, CH, US
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/24f9f662-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009